

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

AP Health Sector Reforms Programme – Agreement with Wipro-GE & Medall Health Care Private Limited and Medall Health Care Private Limited -Advanced Radiology Project under Public Private Partnership (PPP)-Payment of Viability Gap Funding (VGF) - Orders – Issued.

HEALTH MEDICAL AND FAMILY WELFARE (D1) DEPARTMENT

G.O. Rt. No.813

**Dated: 01 .04 . 2011
Read the
following:**

1. Govt. of AP agreement with International Finance Corporation for PPP in Health Sector dated: 03-11-2009.
2. GO Rt. No.198,Agreement with IFC,HM&FW Dept, Dated.17.02.2010
3. Govt. Memo. No. 2978/H2/2010, HM & FW (H2) Dept, Dated.07.07-2007.
4. From the Director of Medical Education, A.P.,Hyderabad,Lr.No.Peshi /Spl/2010, Dated:30-4- 2010 & 1-12-2010.

ORDER:

In the reference 1st read above the Government has executed an agreement with the International Finance Corporation (a World Bank Group) for availing advisory services for Public Private Partnership in Health Sector with the objective of providing improve quality and reliable health services in Government Health Institutions / Hospitals.

2. Vide reference 2nd cited, Government have constituted two steering committees to oversee the IFCs PPP transaction preparation, marketing and implementation on sustainable basis in 4 teaching hospitals viz., KGH, Visakhapatnam, MGM Hospital, Warangal, Govt General Hospital, Kurnool and Govt. General Hospital, Kakinada
3. Vide reference 3rd cited, the steering committee for AP Radiology Project has recommended the consortium of Wipro-GE health care Private Limited and Medall Health Care Private Limited as successful bidder for AP Advanced Radiology Project and the Government have authorized Director of Medical Education to issue the letter of award to the consortium which emerged as successful bidder.
4. Vide reference 4th cited, the Medall Health Care Private Limited has stated that they have submitted 1. Performance Security – Bank Guarantee of Rs.1.2 crores (valid for seven years), 2. Viability Gap Funding – Bank Guarantee of Rs.2.8 crores (valid for one year) and Request letter for issuing revolving letter of credit for Rs. 8.5 crores.
5. While explaining all investments and expenditure, they have requested for providing Viability Gap Funding for the Civil Works to the tune of Rs.2.8 crores as part of the fees payable to the vendors / contractors for infrastructure and Civil Works.
6. The Government after careful examination of the matter hereby accord administrative sanction of Rs.2.8 crores towards Viable Gap Funding (VGF) from the balances available under APHSRP-DFID Programme as the concessionary has fulfilled the precedent laid down in the concession agreement.
7. The Chief Executive Officer, APHSRP – DFID / Commissioner of Health & Family Welfare is directed to release the amount from the available balances APHSRP-DFID programme.
8. The orders issued with the concurrence of Finance Department vide U.O.No.4485/29/A1/Expr. M&H-II, Dt.25.3.2011

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Dr P.V.RAMESH
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Chief Executive Officer, APHSRP-DFID
and Commissioner of Health & Family Welfare
The Director of Medical Education, A.P. Hyderabad
The Executive Vice President for Medall Healthcare Private Limited

Copy to:

P.S to Special CS. to CM
The OSD to Minister (M &H)
Superintendents of KGH, Visakhapatnam, MGM, Warangal, GGH, Kurnool and GGH, Kakinada
The P.S to Prl. Secy HM &FW Dept.
SC/SF

// FORWARDED:: BY ORDER //

SECTION OFFICER.